

Oregon Joint Use Association

Board of Directors Meeting

The Barn – Bandon, Oregon

June 12, 2014

President Ebright called the meeting to order at 10:00 a.m. A quorum was present:

Board Members Present:

Janet Ebright, President
Terry Blanc, Vice President
Sam Ackley, Treasurer
Scott Wheeler, Secretary
Tom McGowan, Past President*
Mark Beaudry*
Jeff Kent*
Gary Lee
Scott Rosenbalm*
Stuart Sloan
Richard Gray*

Not Present:

Doug Morten

Guests:

Jerry Donovan, P&E Committee Chair*
Linda Spurgeon, Coos Curry Electric Cooperative
Robert Shaffar, Electric Dept Supervisor, City of
Bandon
Kathleen Meader, Coos Curry Electric Cooperative
Scott Adams, Coos Curry Electric Cooperative

Staff:

Genoa Ingram*
Laureal Williams

**participated by telephone*

Minutes: **MOTION:** Moved by Gary Lee and seconded by Scott Wheeler to approve the minutes of the March 20, 2014, meeting. **Motion passed.**

Treasurer's Report Treasurer Sam Ackley reviewed the financial statements included in the board packet, noting the following:

The checking account balance is \$90,018. This is up 7% over the same time last year, which was \$84,284. We have realized 111% of budgeted income for the year.

Membership Dues Update:

Membership dues were budgeted for \$48,187.50 in 2014. To date, we have billed out \$52,037 in dues revenue (exceeding the budgeted amount by 8%).

Outstanding invoices for 2014 membership dues total \$2,012 and include the following:

Davey Resource Group (130 days).....	\$287
Estrada Consultants (130 days).....	\$575
MINET (130 days).....	\$575
Stayton Cooperative Telephone (130 days)	\$575

Spring Training Update:

All financial transactions (revenue and expenses) for the 2014 Spring Training workshop have been recorded.

- Total revenue earned from registrations and sponsorships is \$77,932, exceeding the 2013 workshop registration and sponsorship revenue of \$65,860 by approximately 18%
- Sales of NESC manuals directly associated with the 2014 workshop totaled \$1,770

- Related expenses for the 2014 workshop totaled \$50,928, exceeding the 2013 workshop expenses of \$40,553 by approximately 26%
- Significant areas of increased expenditure for the 2014 workshop include
 - Equipment/Facility Rental
 - Give-aways
 - Meals
 - Event Supplies
- A board-approved expenditure of \$1,273 for a projector appears on the association's balance sheet (as an asset) rather than the Spring Workshop Profit/Loss statement.

MOTION: Moved by Gary Lee and seconded by Scott Wheeler to approve the financial report as submitted. **Motion passed.**

Treasurer Ackley discussed the “peaks and valley” report and discussed possible investment strategies with the Board, as well as investments in additional training and other member benefits. President Ebright asked that board members submit any suggestions for investment opportunities to the OJUA staff for consideration.

Committee Reports

Publicity and Education: Jerry Donovan recognized and thanked the P&E Committee members for their work on the Spring Training event. He reported that, in planning for the 2014 Training event, the Committee had reviewed survey results from the 2013 Training and made changes to the agenda to respond to suggestions: the Jeopardy game was divided into two sessions and spread over the two days and the myth buster segment was retained. Attendance increased to 220; with 40-50 percent first-time attendees. There were a total of 18 sponsors (2 more than prior years). Overall, there was a greater net revenue, more attendees and good trends. Discounting the equipment purchase, the net revenues totaled \$30,000 as opposed to last year's \$25,000. Evaluations were high, ranging from 4.1 to 4.5. A total of 168 evaluations were returned out of 220 attendees, representing a 76 percent increase. Staff was authorized to forward the evaluation summary to the Board.

Conflict Resolution: Jeff Kent reported on the follow-up of the Comcast/PGE conflict wherein Comcast requested a follow-up letter be forwarded to the Board.

ICE Committee: Gary Lee reviewed the scope of the ICE Committee and reported that representatives of the Committee had met with OPUC Safety Staff. The Committee continues to refine the documents that provide guidelines for joint inspections. Gary reviewed a PowerPoint presentation outlining the work of the Committee and summarized findings indicating that the best approach might be to follow the lead of power companies within their inspection cycles of 10 percent per year, then communication (concurrently with different inspectors or in addition to with the same inspectors). Conversations were ongoing with Accent with regard to a statewide map of service areas to help in determining inspection areas. Those discussions were currently on hold pending feedback from Safety Staff. There was also discussion regarding the pros and cons of the OJUA

becoming a quasi-governmental entity. ICE will continue to meet every six months in order to monitor joint inspection progress.

Standards: Staff reported that the Committee was nearing completion of the Grandfathering Matrix pending resolution of a discrepancy with Safety Staff regarding Exception B under NESC Rule 232. Additionally, the Committee is working on streetlight clearance photos and the consolidation of OPUC rulings. Lastly, the committee would like to revisit the OJUA Tri-Fold to address some clarifications needed for that document.

Joint Inspection Subcommittee: Jerry Donovan reported that the next meeting of the Committee is scheduled for June 18. The Subcommittee has identified 16 major categories that are common to all entities and will focus on those. Jerry praised Corey Cook for her work on a matrix that will aid in joint inspections. The matrix will point to a recommended assignment as to who is most appropriate to address the repair. The Subcommittee is more than halfway through that part of its agenda and will look to the Executive Committee for direction after that work is complete.

Executive Committee: Terry Blanc reviewed the draft agenda for the Annual Meeting which has been a primary focus of the Executive Committee. Officer and Director insurance coverage has been renewed and the Executive Committee had discussed whether the Association had enough coverage and agreed that it did. There is also an effort to revise and update the website from “Project A”, as facilitated by Sam Ackley.

Legislative Committee: Richard Gray reported that the Committee has not met, noting that public entities were in the process of submitting their legislative concepts. He encouraged companies to share any proposals with the Committee.

Industry Updates

Google Fiber: Richard Gray reported that all documents related to Google Fiber are on the City of Portland Website at www.portlandoregon.gov/revenue and that the process was very transparent. He emphasized that his report did not represent an official city position, but merely an industry update to the OJUA. He provided a list of anticipated questions the OJUA Board members might have and responded to those specific items. (EXHIBIT A)

Comcast/Time-Warner Gary Lee reported Comcast has offered to purchase Time-Warner and would work with Charter to swap properties and create a new entity. Charter would be absorbed/transferred to Comcast.

Washington State Rulemaking Gary Lee reported that Washington State would undertake a rulemaking effort very similar to what Oregon experienced.

Cooperative Representation on OJUA Board Stuart Sloan tendered his resignation from the OJUA Board effective immediately, and noted that a letter

would be forthcoming from ORECA appointing Linda Spurgeon as the Cooperative representative.

Old Business No old business

New Business No new business

Next Meeting The next meeting is scheduled for September 18 at the Comcast offices in Beaverton.

Adjourn There was no further business and the meeting was adjourned at 12:18 p.m.

Google Fiber and Portland
Briefing for OJUA Board
June 12, 2014 Bandon

I'm not an expert in this, I refer you to the City's website, all documents are available there. This is a very transparent process. The City staff that manage it are in the Bureau of Revenue, Office for Community Technology see the website at:

<http://www.portlandoregon.gov/revenue/57435>

This is solely my briefing for my colleagues on the OJUA, not an "official" City statement; I encourage you to look on the website for "official" City statements.

I have tried to anticipate questions you might have.

1. Is Google Fiber coming to Portland?

Probably, we have completed their checklist; they have narrowed it down from 1,100 applications to a handful. "Portland" includes 6 cities. The franchise was approved yesterday. Google is hiring local staff.

2. Is it a phone franchise or a cable franchise?

It is neither; it is a Fiber franchise designed to provide gigabit IP broadband to the home. They may carry video services in addition to Internet services, but I'm not sure what that will mean. This has to do with arcane FCC rules. I refer you to your in-house counsel if you want to learn more.

3. Is Google required to do a full build out? No, they are allowed some discretion based on demand and have indicated they will build to meet demand based on how many people sign up in a "fiberhood". Google will set a threshold for every fiberhood and plans to build out in every one that meets the threshold. There are FCC rules that prohibit the City from compelling a full build out to a second wireline provider. This is not been the first time this has happened; CenturyLink has a Portland cable franchise they never built- it is their option.

4. Is Google using City poles? Not that I am aware of, we would expect them to talk to us first. Rumor has it they are negotiating with PP&L and PGE for attachments.

5. **Is Google going to try to “partner” with the City in some way so that they can try to attach to your poles for free?** No.
6. **Does Google know what they are doing? Will they follow NESC? Will they use Qualified Workers? Will they sign contracts with you?** I’m told Google Fiber is more experienced and smarter now than during their earlier construction elsewhere. Our franchise requires them to meet all safety regulations and, of course, the OPUC will be watching. They can’t attach to your poles without a contract with you.
7. **Is Google Fiber getting a special deal from the City?** No. Besides fees, Google also agreed to provide public benefits to the city. We have been aggressively courting them because the City has an interest in making available to its residents high-speed connectivity and a competitive market. We long ago adopted a Broadband Strategic Plan that calls for this. If you want to see the deal, go to the website.
8. **What’s the story on fiber huts and cabinets above ground in the sidewalk?** Fiber Huts are probably going on City property, not in the ROW. Google Fiber will pay rent. Other property owners, depending on zoning/permitting could rent to them as well (power substations have been discussed). Utility cabinets will most likely go above ground in the ROW; PBOT is reviewing the rules on this as they would apply to all utilities.

The bottom line is that they probably are coming; we expect they will follow the rules, pay their fees and compete on a level playing field. The City’s role is one of cooperation and facilitation in order to further the plan adopted by Council.